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A C T O F P A R L I A M E N T,

For Erecting a Bank in Scotland.

Edinburgh, July 17. 1695.



OUR SOVERAIGN LORD, Considering how useful a Publick Bank may be in this Kingdom, according to the Custom of other Kingdoms and States ; and that the same can only be set up and managed, by Persons in Company, with a Joynt-Stock, sufficiently Endowed with these Powers, and Authorities, and Liberties, necessary and usual in such Cases: *Haib therefore Allowed*, and with Advice and Consent of the Estates of Parliament, *Allows* a Joynt Stock, amounting to the Sum of *Twelve Hundred Thousand Pounds Money*, to be raised by the Company hereby Established, for the Carrying on and Managing of a Publick Bank. *And further Statutes and Ordains*, with Advice foresaid, that the Persons under-named, *Viz.* Mr. ~~William Areskine~~ *Son to the Lord Cardross*, ~~Sir John Swinton~~ *of*

that ilk, Sir Robert Dickson of Sornbeg, Mr. George Clerk Junior, and Mr. John Watson Merchants in Edinburgh, Mr. James Fowles, Mr. John Holland, Mr. David Nairn, Mr. Walter Stuart, Mr. Hugh Frazer, Mr. Thomas Coutts, and Mr. Thomas Deans Merchants in London, or any three of them, and in case of the Decease of any of them, the persons to be chosen by the Survivors, shall have Power to appoint a Book for Subscriptions of persons, either Natives or Forraigners, who shall be willing to Subscribe and Pay in to the said Joynt-Stock; which Subscriptions, the foresaid persons, or their *Quorum*, are hereby Authorized to receive in the foresaid Book, which shall ly open every *Tuesday* or *Friday*, from Nine to Twelve in the Forenoon, and from Three to Six in the Afternoon, betwixt the First Day of *November* next, and the First Day of *January* next following, in the publick Hall or Chamber to be appointed in the City of *Edinburgh*, and therein all persons shall have liberty to Subscribe for such Sums of *Money*, as they shall think fit to Adventure in the said Joynt-Stock, One Thousand Pounds *Scots* being the lowest Sum, and Twenty Thousand Pounds *Scots* the highest, and the two third Parts of the said Stocks, belonging alwise to persons residing in *Scotland* : *Likeas*, each and every person, at the time of his Subscribing, shall pay in to the Hands of the fore-named persons, or any Three of them, Ten of the Hundred of the Sums set down in their respective Subscriptions, towards the carrying on of the said Bank; and all and every the persons Subscribing, and Paying to the said Stock as aforesaid, shall be, and are hereby Declared to be one Body Corporat and Politick, by the Name of *the Governour and Company of the Bank of Scotland*, under which Name, they shall have perpetual Succession, and shall have a Common Seal ; and their Successors, by the Name foresaid, shall be able and capable to Purchase and Enjoy, as also to Give, Grant, Alienate and Dispose of Lands, Tenements, and all other Heretage, as likewise of all Sums of *Money*, and other *Movable*, Goods, and Gear whatsoever ; and further, to do and execute all other things, which any other Company or Body Corporat, can or may lawfully do or execute; and that as amply and fully, as if the several matters and things, were particularly set down in this Act. *And for the better Ordering and Managing of the Affairs of the said Bank* : It is hereby further

Statute and Ordained, that there shall be for ever a Governour, Deputy-Governour, and Twenty Four Directors, to be Elected and Chosen, as hereafter is Appointed, who, or any Seven of them, (hereby Declared to be their *Quorum*,) shall have the Management and Direction of the said Bank, which persons, *viz.* Governour, Deputy-Governour, and Twenty Four Directors, are to be chosen in this manner, *viz.* that within the Three Months after the foresaid Subscriptions are ended, the persons particularly above-named, or any two of them, shall appoint a certain Day, and make due Intimation of the same, that such, and so many of the Adventurers, and none other, as shall each of them have Subscribed for One Thousand Pounds Money, or upwards in the said Book of the Joynt-Stock, may Elect and Choose by Majority of Votes, which are to be given One Vote for every Thousand Pounds Share in the Stock, a fit person of the Subscribers, who hath subscribed for himself, at least for Eight Thousand Pounds, to be Governour of the said Bank, and an other fit person of the Subscribers, who shall have subscribed for himself, at least for Six Thousand Pounds, to be Deputy-Governour of the said Bank ; and also Twenty Four others, fit persons, who shall have subscribed each of them for himself, at least for Three Thousand Pounds in the said Joynt-Stock, to be Directors of the said Bank ; which Governour, Deputy-Governour, and Directors, are to continue in their respective Offices, until the next Election of their Successors ; which next Election shall be made within Thirty Days, after the Expiration of an whole Year from the former Election, by the Majority of the Votes of the Members, who are to be Qualified, and their Votes reckoned in manner above-mentioned ; and so furth, the said Governour, Deputy-Governour, and Directors to be chosen from Year to Year ; and if any of them happen to Decease before the Expiration of his time, then the Members and the Company Qualified as aforesaid, shall Elect, in manner above-mentioned, an other fit person in the Room and to the Office of the Deceased, who is to Officiat for the remainder of his time : And further, the Governour or his Deputy, and any Three of the Directors, or any Five of the Directors, without the Governour or his Deputy, may as often as they see Cause, Summon a Meeting of the Adventurers, Qualified as said is ; at which Meeting, by Majority of Votes to be given as said is, the Governour or his Deputy, or any of the Directors for the time, not exceeding Two Directors at one Meeting, may be Displaced and Removed for any Miscarriage or Insufficiency in his Office, to which Sentence, the person removed is absolutely to Acquiesce, without Gain-saying, and an other to be chosen in his Room and Place as aforesaid, to continue till the next general Election ; and the Governour, Deputy-Governour, Directors, or any Seven of them, their *Quorum* foresaid, may meet together at any convenient Place, for the Managment of the Affairs of the said Bank ; and the saids Adventurers, at any general Meeting that shall happen to be appointed, shall have Power to require the Payment of any further part of the Subscriptions, than the Ten per Cent. above-mentioned, at such time as they shall think fit ; and in case any of the Adventurers shall refuse, or neglect to pay in their Proportion, appointed by the said general Meeting, then he shall Forfeit to the Use and Behove of the said Joynt-Stock, whatever he had before payed in to the said Company, and no Governour, Deputy-Governour, or Director, shall be capable of, or continue in their said respective Offices, unless they have the respective Sums above-mentioned in their own Right, and so long as they have the same and no longer, but upon the Diminution of the saids Sums, their Offices are to Determine, and others to be chosen at a general Meeting as aforesaid in their places : And the said Governour, Deputy-Governour, and Directors, are to Swear at their Entry to their respective Offices, the Oath following, *I A. B. Do Swear, that the Sum of*

of the Stock of the Governour, and

Company of the Bank of Scotland, doth at this time belong to me in my own Right, and not in Trust : And that in the Office of

*I will be equal to all persons, and give my best Advice for the Support of the Bank of Scotland ; And in the said Office, honestly demean my self to the best of my Skill. And this Oath the first Governour shall take before the Lord Chancellor, or any other of the Officers of State, and then shall have Power to Administat the same to his Deputy and Directors. And the next Governour and Directors shall Swear the same at their Entry, as said is, before a General Meeting of the Company ; Certifying any who shall neglect to swear at his Entry, or within twenty daysthereafter, his Place shall be void, and another shall be Elected to it: And the Governour, or Deputy-Governour, with the Directors or their *Quorum* may choose a Thesaurer, Secretary, and other Officers for the Affairs of the said Company, who are to give their Oaths *de fidei* before the Governour, or his Deputy, or any two of the Directors; and may be removed from the said Offices, at the pleasure of a General Meeting : Providing*

alwise,

alwise, that neither the Governour, Deputy-Governour, or any of the Directors may be chosen to any of the saids inferior Offices. And it is further hereby *Statute and Ordained*, that it shall be lawful for the said Governour and Company, to Lend upon Real or Personal Security, any Sum or Sums, and to receive Annualrent for the same at six *per Cent*, as shall be ordinary for the time: As also, that if the Person borrowing as said is, shall not make payment at the Term agreed upon with the Company; then it shall be lawful for the Governour and Company to Sell and Dispose of the Security or Pledge, by a publick Roup for the most that can be got, for payment to them of the Principal, Annualrents, and reasonable Charges, and returning the Over-plus to the Person who gave the said Security or Pledge. And it is further hereby *Enacted*, that the foresaid Company and Members thereof, or major part of them Assembled at any General Meeting, may make and constitute such By-Laws and Ordinances, as to them shall seem necessary and convenient for the Good of the Company, and under such Penalties as shall be therein contained; providing that the saids By-Laws and Ordinances, be not contrary to, (but consistent with the Laws of the Kingdom) And for Ascertaining how the said Joynt-stock and Shares thereof, with all the Lands, Houles, or other Estate thereto belonging, may be Assigned or Transferred; It is hereby *Statute and Ordained*, that there be constantly kepted a Book or Register by the said Governour and Directors, where all the foresaid Assignments shall be Entered and Subscribed by both the Party Assigning, and the Party to whom the Assignment is made in Token of his Acceptance, and that such Assignments so subscribed, shall make full, Compleat, and absolute Rights, and no other shall be good, excepting that any Person having Interest in the said Company, may Dispose of the same by Latter-Will or Testament, which shall be a valid and compleat Transmission in favours of the Person, to whom the Disposition is made, upon the Entering and Recording so much of the said Latter-Will, as relates to the said Stock in the Books of the said Company, without necessity of Confirmation, or further Formality whatsoever. And it is hereby further *Statute*, that no Dividend shall be made, save out of the Interest or Product arising out of the Joynt-Stock, and by the Consent of the Adventurers in a General Meeting: And for the better Encouragement of the said Company and Adventurers; It is hereby *Statute*, that the Joynt Stock of the said Bank continuing in Money, shall be free from all publick Burden to be imposed upon Money, for the space of twenty one years after the date hereof, and that during this space, it shall not be Leasom to any other persons to enter into, and set up an distinct Company of Bank within this Kingdom, besides these persons allanerly, in whose favours this Act is granted. And sikklike, it is hereby *Declared*, that summar Execution by Horning shall proceed upon Bills or Tickets drawn upon, or granted by, or to and in Favours of this Bank, and the Managers and Administrators thereof for the time, and Protests thereon in the same manner, as is appointed to pass upon Protests of Forraign Bills, by the 20 *Act. Parl.* 1681. *K.Ch.* 2. And sikklike, that no Suspension pass of any Charge, (for Sums lent by this Bank or to the same) but upon Discharge or Consignation of the Sums charged for allanerly. And further, for preventing the breaking of the said Joynt-Stock and Company, contrary to the Design thereof: It is hereby *Declared*, that the Sums of the foresaid Subscriptions and Shares, may only be conveyed and Transmitted by the Owners to others, who shall become Partners of the Company in their place in manner above-mentioned, or by Adjudication, or other legal Conveyance in favours of one person allanerly, who in like manner shall succeed to be a Partner in his Predecessors place, so that the foresaid Sums of Subscriptions may neither be taken out of the Stock, nor parcelled amongst more persons by legal Diligence in any sort, to the Diminishing or Disturbing the Stock of the said Company and good Order thereof. And sikklike, for the greater Security, and more convenient managing of the said Bank or Joynt-stock: It is hereby *Statute and Ordained*, that in case it shall happen any of the Members, Partners, or Subscribers, or other Proprietars of any part of the said Stock to be registrat at the Horn, or to commit any Crime punishable by Confiscation, or Forefaulture of his said Share, and Proportion of the said Joynt-Stock and Profit thereof due at the time; Then, and in that case, it shall be lawful for the Governour, Deputy-Governour, and Directors, or their *Quorum* for said, to expose by publick Roup, such Shares and Profit thereof to any other person, who shall bid the highest Price therefore, after such legal Intimations to be made for that effect by the said Governour, Deputy-Governour, Directors or their *Quorum*, as is prescribed by the Act of Parliament for the Sale of Bankrupts Lands, and the Price arising by the said Roup, to be made forth-coming by the said Company to the Creditors Heirs, or others succeeding in the Right of the Party so Denounced or Forefeit: *Providing alwise*, as it is hereby expressly *Enacted, Provided and Declared*, that it shall not be lawful nor allowable for the said Company, Governour, Deputy-Governour, Directors or Managers thereof, upon any Ground

or Pretence whatsoever, Directly nor Indirectly, to Use, Exerce, or follow any other Commerce, Traffick, or Trade with the Joynt-Stock to be imployed in the said Bank, or any part thereof, or Profits arising therefrae, excepting the Trade of Lending and Borrowing Money upon Interest, and Negotiating Bills of Exchange allanarly, and no other. *Providing also*, likeas it is hereby expressly *Provided, Enacted and Declared*, that in case the Governour, Deputy-Governour, Directors, or other Managers of the said Company, shal at any time happen to purchase for the Use and Behove of the said Company, any Lands, Rents, or other Heretage belonging to his Majesty, his Heirs and Successors, or shall Advance or Lend to his Majesty, his Heirs or Successors, any Sums of Money in Borrowing, or by way of Anticipation upon any Part, Branch, or Fond of the Ordinary Rent, or Casualties of the Crown, or of any Supply, Cels, Excise, Custom, Pole-Tax, or any other Supply or Taxation already granted, or which shall happen to be granted at any time hereafter to his Majesty and his forefairs, any manner of way whatsoever, excepting these Parts, Branches, or Fonds of the said Rents, Casualties, or Impositions forefairs, upon which a Credit of Loan shall happen to be granted by Act of Parliament allanarly; Then, and in that Case, the said Governour, Deputy-Governour, Directors, or other Managers, one or more of the said Company who shall Consent, Agree to, or Approve of the said Purchase, Advance, or Lending to his Majesty and his forefairs, and ilk an of them so Agreeing and Approving, and being found guilty thereof according to Law, shall be lyable for every such Fault in the Triple of the Value of the Purchase so made, or the Sums so Lent, whereof a fifth part shall belong to the Informer, and the Remainder to be disposed of towards such publick Uses, as shall be appointed by Parliament, and not otherwise. *And it is likewise hereby Provided*, that all Forraign-ers who shall joyn as Partners of this Bank, shall thereby be, and become Naturalized Scots-men, to all Intents and Purposes whatsoever.

Extracted forth of the Records of Parliament, by

T A R B A T, Cl. Registr.

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